

# CARIBBEAN REGIONAL COMPLIANCE ASSOCIATION CONFERENCE

## And the US is now a known Tax Haven: So what?

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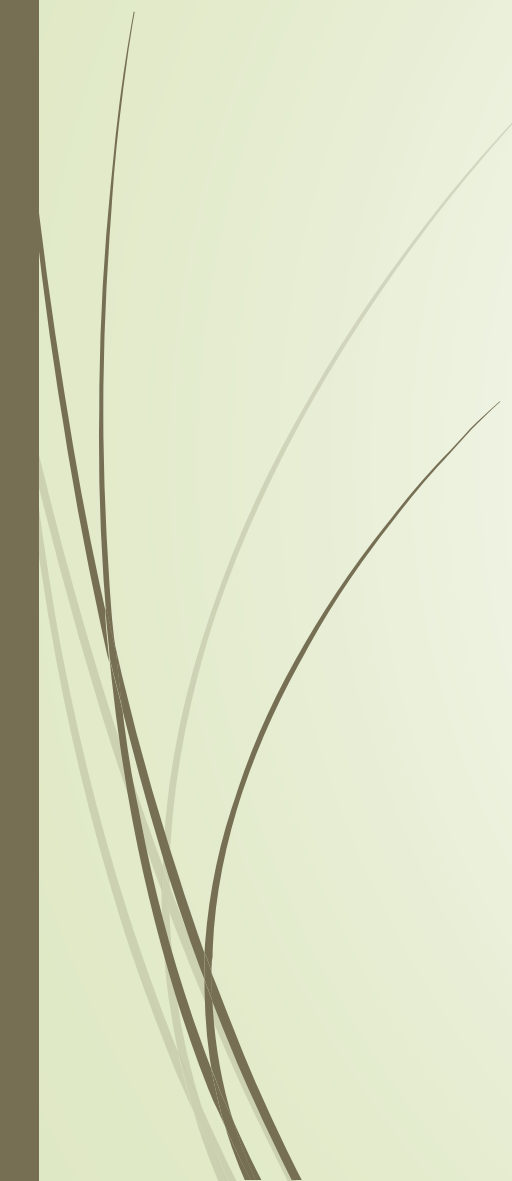
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# Introduction: Setting the Stage I

- Chaos – the New Normal
  - What is the nature of the perceived chaos?
  - What is the relevant background to the perceived chaos?
  - How does the US factor in the chaos?
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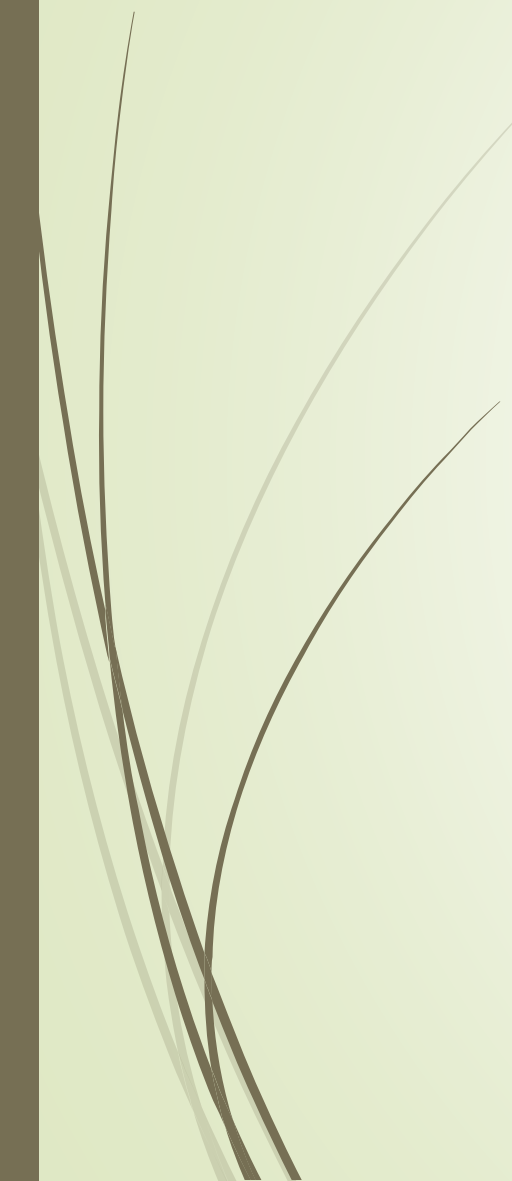
## Setting the Stage II


- What are the regional imperatives?
- Are we able to respond to good effect?
- If so, how?
- To what end?



## Background: As Permitted But Mind Your Manners

- The status of Nominal International Reserve Currency (USD) confers real power – including ability to print money at effectively at will, and capacity to substantially control or have significant influence over economic activity elsewhere
- NIRC also has its limitations – including that the US economy could be undermined by improper dealings with the NIRC from without US borders


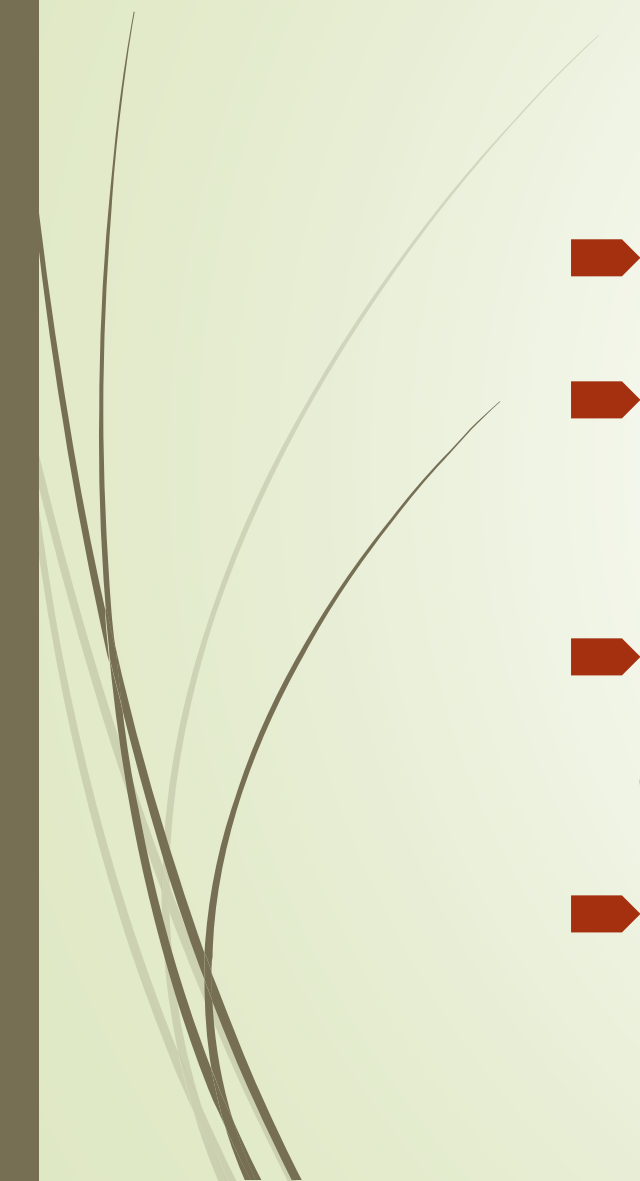
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- Small economies of the regional are vulnerable to external shocks and dependent on US economy and US banking relations
  - Permission 'granted' to deal with currency and to benefit from US economy but not to undermine it

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- Being too ambitious is 'frowned' upon, at least so it might appear, and the US reserves right to keep 'dependent' economies in check
  - 'Keeping in check' is secured through the financial and tax systems



# Interrogating the 'Facts': Understanding the Implications

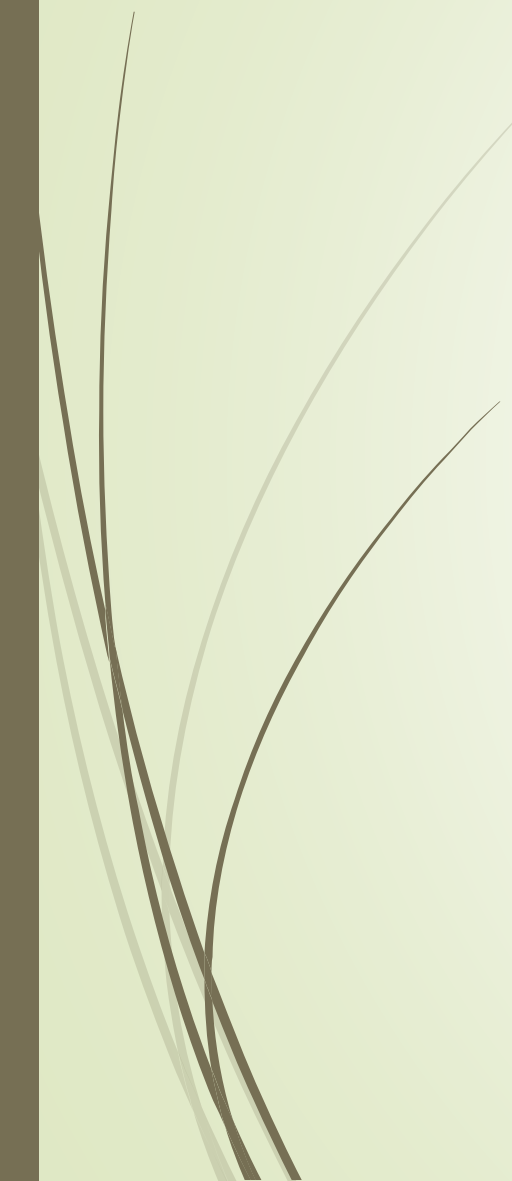
- Do the 'facts' add up/make sense?
- If yes, what then of and for the region?
- Should the region, for example, embrace the tax haven nomenclature?
- Is open, or even half-hearted, embrace smart?


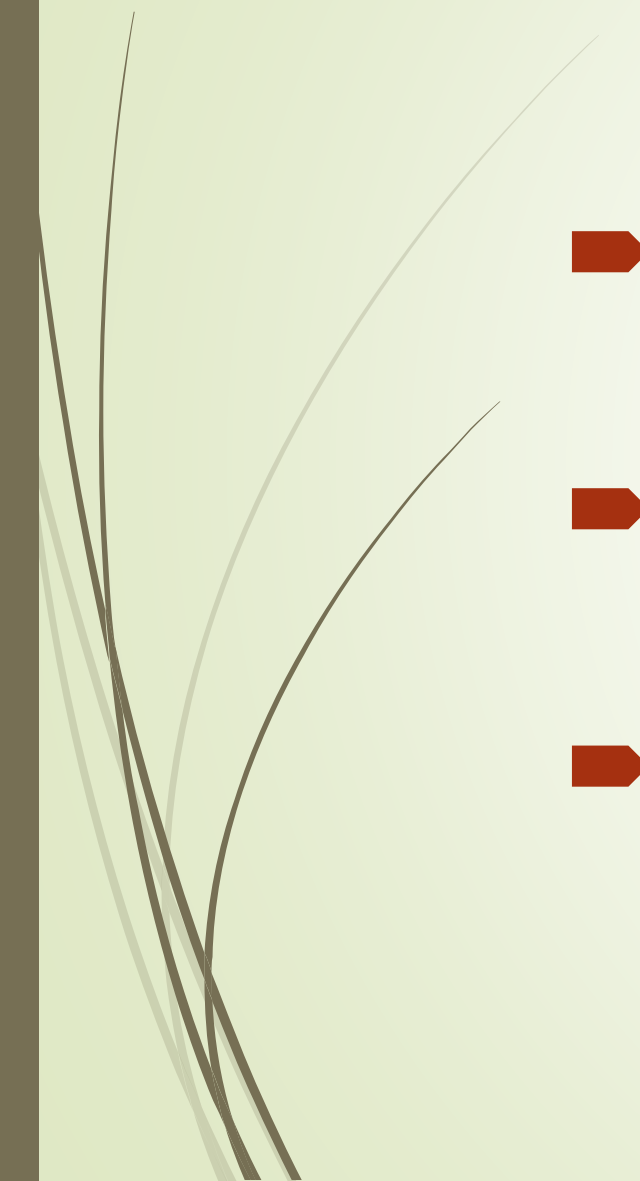
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- Under or above the law?
  - Does the law at local level really matter?
  - Wherein lies the interest of justice and constitutional protection?
  - Who cares?





# Regional Imperatives: Survival through Innovation

- ➡ De-risking v Bankability for all
  - ➡ NCB v OLINT – the tables have turned
  - ➡ China the way?
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- IMF and neutral reserve currency?
  - Financial Innovation – FinTech  
RegTech
  - Compliance at the boundary,  
policy at the wicket



# Conclusion: The Way Forward

- Change is constant but not always desired
  - Beyond insularity and the Exclusive Economic Zone
  - Rally Round the West Indies
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